a Control number	Void							
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c Employer's name, address, and ZIP  QUALITY COMMUNITY  HEALTHCARE INC	code			cial security wages	.97	4	Social:	6228.63 security tax withheld 1917.72
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d Employee's social security number				cial security tips vance EIC paymen			Allocate	ed tips
e Employee's name, address, and ZIP of DANAIL VATEV	code			nqualified plans				ent care benefits included in box 1
3348 BOWMAN STREET PHILADELPHIA, PA 19129			13 See	instrs. for box 13			Other	
				E 2307.	66			
16 State Employer's state 1.D. a.e.	· · · · · · · · · · · · · · · · · · ·	.	5 Statutory employe		Pension plan		Legal rep.	Deferred compensation
16 State Employer's state I.D. no. PA 1351 3726	17 State wages, tips, etc. 30930.97	18 State inc		19 Locality name PHILADEL	20 Local v		tips, etc.	21 Local income tax 1438.04
Wage and Tax							301	1430.04

W-2 Wage and Tax Statement 2000 Copy D For Employer

Department of the Treasury—Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

GOVERNMENT EXHIBIT

Form W-2 Wage and Tax Statement 1999 EMPLOYER REFERENCE COPY - DO NOT FILE. 0000 A Control number c Employer's name, address, and ZIP code
QUALITY COMMUNITY HEALTHCARE Void Department of the Treasury - Internal Revenue Service 0026-E340 000244-000050 OMB No. 1545-0008 INC GEORGETTE MC ALLISTER I Wages, tips, other compensation 2 Federal income tax withhe 2501 WEST LEHIGH AVE 97869.20 16734. PHILADELPHIA PA 19132 3 Social security wages 4 Social security tax withheld 23-2157140 605-60-3304 72600.00 4501. 13 See Instrs. for Box 13 e Employee's name, address, and ZIP code 6 Medicare tax withheld 5 Medicare wages and tips Е 9999.86 DANAIL V VATEV 107869.06 1564. 3348 BOWMAN ST 7 Social security tips 8 Allocated tips PHILADELPHIA PA 19129 9 Advance EIC payment 10 Dependent care benefits 11 Nonqualified plans 12 Benefits included in Box 16 State Employer's state I.D. No. 17 State wages, tips, etc. 18 State income tax 19 Locality name 20 Local wages, tips, etc. 21 Local income tax PΑ 13513726 107869.06 3009.65 PA PHILA 107869.06 5013.

a Control number Void OMB	No. 1545-0008		
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b Employer's identification number	1 Wages, tips, other compensation	2 Federal income tax withh	eld
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c Employer's name, address, and ZIP code	3 Social security wages	4 Social security tax withhe	eld
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	7 Social security tips	8 Allocated tips	
d Employee's assist			
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e Employee's name, address, and ZIP code	11 Nonqualified plans	12 Benefits included in box	1
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3348 BOWMAN ST	13 See instrs. for Form W-2	14 Other	
PHILA, PA 19129			
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Wage and Tax 1998
Copy D For Employer

Department of the Treasury-Internal Revenue Service
For Privacy Act and Paperwork Reduction
Act Notice, see separate instructions.

a Control number 024\$ 2JM		<sup>545-0008</sup> <b>2JM</b>	0244		
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d Employee's social security nur 605-60-3304	nber	9 Advance EIC payment	10 Dependent care benefits		
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EW-2 Wage and Tax 1997
Copy D For Employer

Department of the Treasury-Internal Revenue Service For Paperwork Reduction Act Notice, see separate instructions.

a Control number	Void	<del></del>				<del></del>	·
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b Employer identification number			JAC	es, tips, other compe	000		000080
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HEALTHCARE INC			5 Med	icare wages and ti	ips	6 Medicare	e tax withheld
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PHILADELPHIA PA 19132			7 Soci	al security tips		8 Allocated	d tips
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5928 SPRING STREET		ŀ	13 See	instrs. for box 13		14 Other	
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The state of the s							
				E 2600.4	16		
			15 Statutory employee		Pension plan	Legal	Deferred compensation
100					<b>X</b>	rep.	X
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W-2 Wage and Tax Statement Copy D For Employer

Department of the Treasury—Internal Revenue Service For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.



Form W-2 Wage and Tax Statement 1999 EMPLOYER REFERENCE COPY - DO NOT FILE.

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	X 2	501 WEST LEHIGH AVE HILADELPHIA PA 19132	1 Wages, tips, other compensation 26342.27	2 Federal income tax with 5023
3 See Instrs. for Box 13 14 Other	6-6851	oloyee's name, address, and ZIP code	3 Social security wages 26919.23	4 Social security tax withhe 1668
E 576.96	ן טו	EBORAH ROBINSON 928 SPRING ST	5 Medicare wages and tips 26919.23	6 Medicare tax withheld 390
		HILADELPHIA PA 19139	7 Social security tips	8 Allocated tips
			9 Advance EIC payment	10 Dependent care benefits
6 State Employer's state I.D. No.	17 State wages, tips, etc.		11 Nonqualified plans	12 Benefits included in Box
PA   13513726	26919.2	18 State income tax 19 Locality name 753.78 PA PHILA	20 Local wages, tips, etc. 27394 . 03	21 Local income tax 1264



### DEPARTMENT OF HEALTH & HUMAN SERVICES BUREAU OF PRIMARY HEALTH CARE

007 2 5 1993 Lilia Cara Tara

Health Resources and Services Administration Rockville MD 20857

OCT 7 1993

Marcella E. Lingham, Ed.D. Quality Health Care, Inc. 2801 West Dauphin Street Philadelphia, Pennsylvania 19132

Dear Dr. Lingham:

The Bureau of Primary Health Care (BPHC), in accordance with Section 224(h) of the Public Health Service (PHS) Act, 42 U.S.C. 233(h) as added by the Federally Supported Health Centers Assistance Act of 1992 (P.L. 102-501), deems the above named entity to be an employee of the Federal Government for the purposes of Section 224. Under Section 224(a), the remedy against the United States provided under the Federal Tort Claims Act (FTCA) for medical and related functions performed by commissioned officers or employees of the PHS while acting within the scope of office or employment, shall be exclusive of any other civil action or proceeding. P.L. 102-501 extends this "FTCA coverage" to the grantees that have been deemed covered under Section 224(h) and certain of their officers, employees, and contractors, as specified below.

This action is based on the assurances provided on September 2, 1993, with regard to: (1) implementation of appropriate policies and procedures to reduce the risk of malpractice; (2) implementation of a system whereby professional credentials, references, claims history, fitness, professional review organization findings, and licensure status of its health professionals are reviewed and verified; (3) cooperation with the Department of Justice (DOJ) in the defense of claims (including access to all pertinent documents and patient information and records) and actions to assure against claims in the future; and (4) cooperation with the DOJ in providing information related to previous malpractice claims history.

All officers, employees, and full-time contractors (minimum 32.5 hours per week) of this grantee who are physicians or other licensed or certified health care practitioners and who are providing services under the scope of activities covered by the project funded through its Section 329 (migrant health centers), Section 330 (community health centers), Section 340 (health services for the homeless), or Section 340A (health services for residents of public housing) grant(s) are also deemed to be employees of the Federal Government for the purposes of Section 224, as are part-time contractors who are licensed or certified providers of obstetrical services and whose individual medical



Page 2 - Marcella E. Lingham, Ed.D.

malpractice liability insurance coverage does not extend to services performed for this grantee. Subrecipients listed as eligible for FTCA coverage by the grantee will be deemed eligible only for carrying out those grant-related activities designated as being within the scope of their contract.

Accordingly, the Attorney General, through the DOJ, has the responsibility for the defense of the individual and/or grantee for malpractice claims approved for FTCA coverage. Please note that the applicability of the Act to a particular claim or case will depend upon the determination or certification, as appropriate, by the Attorney General that the individual or grantee is covered by the Act and was acting within the scope of employment. Such determination or certification is subject to judicial review. If the claim is subject to FTCA coverage, it must be reviewed initially by the PHS through an administrative claims process. Your cooperation in the handling of the claim (including providing the relevant medical records) will be necessary.

Section 224 is further amended by providing that hospital admitting privileges can not be denied if a covered health professional meets the appropriate professional qualifications, and agrees to abide by the hospital bylaws and the rules, and regulations of the medical staff. These individuals are thus afforded the same treatment as members of the National Health Service Corps with respect to hospital admitting privileges. Hospitals that fail to comply shall be in jeopardy of losing Medicare and Medicaid reimbursements.

The BPHC will be evaluating the implications of FTCA coverage for the payment of malpractice insurance costs under the terms of your grant. As a general rule, BPHC would not allow further charges to the grant for malpractice insurance for services subject to FTCA coverage. However, BPHC recognizes that some insurable risks will remain after the effective date of eligibility for FTCA coverage, including risks covered by malpractice insurance for non-covered providers. These remaining risks may require the purchase of private insurance by the grantee. Furthermore, it is expected that grantees will purchase "tail" insurance coverage for current providers with claims made instead of occurrences policies. Consequently, a grantee that has been deemed eligible for FTCA coverage should not cancel its current private malpractice insurance policies until these "gap" coverage requirements have been identified and policies secured.

The BPHC will consider allowing the grantee to continue to purchase its current malpractice insurance where the grantee can demonstrate that: (1) this is necessary to maintain the current scope of services and patient care activities and (2) the cost of such insurance is less than the cost of the insurable risks that remain after FTCA coverage is in effect, i.e., gap coverage.

Furthermore, BPHC will examine your request for charging to your grant the cost of "tail" insurance, if your previous malpractice coverage was for claims made, rather than occurrences. Here too, we will consider the extent to which the cost of tail insurance exceeds the cost of the present malpractice insurance, in deciding which form of insurance will be an allowable expense under the grant.

Page 3 - Marcella E. Lingham, Ed.D.

The effective date of eligibility for FTCA malpractice coverage is October 1, 1993. FTCA coverage is only applicable to acts or omissions occurring after this effective date and before January 1, 1996, for the scope of activities covered by the grant funded project.

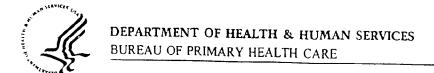
For further information, please contact Martin Bree, J.D., FTCA Coordinator, Region III at (215) 596-6653.

Sincerely yours,

Marilyn H. Gaston, I

Assistant Surgeon General

Director



JUN 20 333

Health Resources and Services Administration Bethesda MD 20814

Ms. Marcella Lingham
Executive Director
Quality Community Health Care
2501 West Leigh Avenue
Philadelphia, Pennsylvania 19132

Reference: Malpractice Liability Coverage

The Bureau of Primary Health Care (BPHC), in accordance with Section 224(h) of the Public Health Service (PHS) Act, 42 U.S.C. 233(h) as amended by the Federally Supported Health Centers Assistance Act of 1995 (Pub.L. 104-73), deems the above named entity to be an employee of the Federal Government, effective June 23, 1996, for the purposes of Section 224. Section 224(a) provides liability protection under the Federal Tort Claims Act (FTCA) for damage for personal injury, including death, resulting from the performance of medical, surgical, dental, and related functions and is exclusive of any other civil action or proceeding. This "FTCA coverage" is applicable to deemed entities and their including officers, governing board members, employees, and contractors who are physicians or other licensed or certified health care practitioners working full-time (minimum 32.5 hours per week) or part-time providing family practice, general internal medicine, general pediatrics, or obstetrical/gynecological services.

Section 224 further provides that hospital admitting privileges cannot be denied on the basis of having malpractice coverage under the FTCA, if a covered health care professional meets the appropriate professional qualifications, and agrees to abide by the hospital bylaws and the rules, and regulations of the medical staff. Moreover, managed care plans are required to accept FTCA as meeting whatever malpractice insurance coverage requirements such plans may require of contracting providers. Hospitals and managed care plans that fail to comply shall be in jeopardy of losing Medicare and Medicaid reimbursements.

In addition, FTCA coverage is comparable to an "occurrence" policy without a monetary cap. Therefore, any coverage limits that may be mandated by other organizations are met. For example, a \$1.0 million each claim/\$3.0 million aggregate occurrence is met since FTCA would, as appropriate, provide for the payment to a plaintiff of any damages awarded as a result of a judgment or a settlement approved by the Attorney General, sums in excess of this amount.

For further information, please contact CAPT Marty Bree, Regional FTCA Coordinator, HRSA Field Office, Philadelphia, Pennsylvania at (215) 596-6655.

Sincerely yours

Marilyn H. Gaston, M.D. Assistant Surgeon General

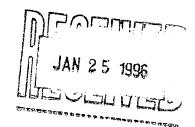
Director

# **BPHC:**

## Bureau of Primary Health Care

January 22, 1996

## The People We Serve The People We Are



#### Dear Covered Entity:

The President signed into law the Federally Supported Health Centers Assistance Act of 1995 (Pub.L. 104-73) on December 26, 1995. It amends the Public Health Service Act to permanently extend and clarify malpractice coverage for health centers under the Federal Tort Claims Act.

The purpose of this communication is to advise you that your "deemed status" will remain in effect during the 180 day period beginning on December 25, 1995, as provided by Section 5(c) of Pub.L. 104-73. Please append this notice to your existing deeming letter.

We will provide you with application instructions regarding the process of renewing your deemed status in the near future.

If you have any further questions, you may contact Nathan Stinson, M.D., at (301) 594-4327.

Marilyn H. Gaston, M.D. Assistant Surgeon General Director

U.S. Department of Health & Human Services
Public Health Service



Health Resources & Services Administration



## DEPARTMENT OF HEALTH & HUMAN SERVICES BUREAU OF PRIMARY HEALTH CARE

Public Health Service

JUN 20 333

Health Resources and Services Administration Bethesda MD 20814

Ms. Marcella Lingham
Executive Director
Quality Community Health Care
2501 West Leigh Avenue
Philadelphia, Pennsylvania 19132

Reference: Malpractice Liability Coverage

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For further information, please contact CAPT Marty Bree, Regional FTCA Coordinator, HRSA Field Office, Philadelphia, Pennsylvania at (215) 596-6653.

Sincerely you

Marilyn H. Gaston, M.D. Assistant Surgeon General

Director